

Home Investment Partnerships (HOME) Program

http://housing.mt.gov/Hous_HM.asp



Overview

- Purpose
- Eligible Applicants
- Funding Categories
 - Competitive Process Basics
 - Single-Family Pilot Program Basics

Purpose

- Expand the supply of affordable housing for low- & very low-income households



Eligible Applicants

- Local governments (cities, towns, and counties)
- **P**ublic **h**ousing **a**uthorities (PHAs)
- Qualified nonprofit **c**ommunity **h**ousing **d**evelopment **o**rganizations (CHDOs)
 - housing.mt.gov/Hous_CHDO.asp

Funding Categories

1. Competitive process
2. NEW -- Noncompetitive Single-Family Pilot Program

Competitive Application Process

- **Eligible Activities:**
 - Rental Rehabilitation
 - New Construction (multi-family & single family)
 - Acquisition
 - Tenant-Based Rental Assistance

Competitive Application Process (continued)

- **2007 Application Due Date:**
 - February 16, 2007
- **Maximum Grant Award:**
 - \$500,000
 - Includes project “Soft Costs”

Competitive Application Process (continued)

● Project Soft Costs

- New Construction, TBRA, Acquisition: **8%**
 - Project Activity Costs: \$ 368,000 (92%)
 - Soft Costs: \$ 32,000 (8%)
 - Total Project: \$ 400,000 (100%)
- Rehabilitation: **12%**
 - Project Activity Costs: \$ 440,000 (88%)
 - Soft Costs: \$ 60,000 (12%)
 - Total Project: \$ 500,000 (100%)

Competitive Application Process (continued)

- **Match Requirements**

- 5% of HOME Costs

HOME Project Costs	\$ 368,000
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HOME Soft Costs	<u>\$ 32,000</u>
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Total HOME Funds	\$ 400,000
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Match (\$400,000 X 5%)= \$ 20,000

- **Match Source**

- Non-Federal funds

Competitive Application Process (continued)

- **Eligibility Requirements:**

- Compliance with implementation schedule
- No unresolved findings
- Must meet spend down requirements:
 - 2006 grants: 50% spent
 - 2005 grants: 75% spent
 - 2004 and older grants: completed **and** conditionally closed out

Competitive Application Process (continued)

- Application Guidelines **and** Uniform Application
 - housing.mt.gov/Hous_HM_Apps.asp
- Follow order of application
- Meet minimum threshold requirements

Competitive Application Process (continued)

- **Minimum Threshold Requirements**
 - Certification of Consistency with the Consolidated Plan
 - Must show project completion within 28 months of award
 - Record of a **minimum** of one public hearing
 - Completed environmental review checklist

Competitive Application Process (continued)

● **Management Plan**

- Program area boundaries and scope of project
- Targeted program beneficiaries
- Income determination
- Integration of program management
- Sample management documents

Competitive Application Process (continued)

- **Evaluation & Ranking**
 - Financial Management
 - Program Management
 - Project Planning
 - Capacity Determination
 - **NEW--Bonus Points available for energy efficiency and green building**

Non-Competitive Single Family Pilot Program

- **Eligible Activities:**
 - Homebuyer Assistance (HBA)
 - Homeowner Rehabilitation (HOR)
- **Application Due Date:**
 - NO deadline; NO application; NO scoring
 - Funds distributed to 11 regions according to a formula based on population & age of housing
 - Went into effect June 1, 2006

Single Family Pilot Program (continued)

- **Program Basics:**
 - Half of HOME program's annual allocation to single-family projects
 - Qualification package instead of application
 - 18 month allocation period

Single Family Pilot Program (continued)

- **Program Basics (continued):**
 - **Qualification package:**
 - Management Plan
 - Environmental Review
 - Lead-based paint regulations compliance plan
 - Public outreach plan
 - Evidence of public support from city and/or county officials
 - housing.mt.gov/Hous_HM_SF.asp

Single Family Pilot Program (continued)

- **Program Basics (continued):**
 - **Reservation of Funds:**
 - Must be for specific address/household
 - 120 day reservation period for HBA
 - 180 days for HOR & new construction

Single Family Pilot Program (continued)

- **Program Basics (continued):**
 - **Soft Costs:**
 - HOR programs--12% fee
 - HBA programs--\$1,500 flat fee
 - **Match:**
 - 5% match required for **each** homebuyer or homeowner assisted

ESTIMATED 2007 HOME Allocation

● CHDO (15% Set-Aside)	\$ 690,000
● State Recipients	\$1,350,000
● Single Family Pilot Program	\$2,100,000
● MDOC Admin Funds	<u>\$ 460,000</u>
● Total <u>Estimated</u> Allocation	\$4,600,000

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